



## **DEPARTMENT OF COMMERCE**

### **Foreign-Trade Zones Board**

**[B-45-2021]**

#### **Foreign-Trade Zone (FTZ) 281 – Miami-Dade County, Florida; Notification of Proposed Production Activity; Intel Corporation (Kitting, Assembly and Packaging of Computer Electronics), Miami, Florida**

ModusLink Corporation, a proposed operator within FTZ 281, in Miami, Florida, submitted a notification of proposed production activity to the FTZ Board on behalf of Intel Corporation (Intel). The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on June 2, 2021.

The applicant indicates that a separate application will be submitted for FTZ designation at the proposed facility under FTZ 281. The facility will be used for the kitting, assembly and packaging of computer electronics. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Intel from customs duty payments on the foreign-status components used in export production. On its domestic sales, for the foreign-status materials/components noted below, Intel would be able to choose the duty rates during customs entry procedures that apply to CPU/microprocessors, hard disk drives, memory, flash memory with solid state storage, fan heatsinks, memory boards, unhoused solid-state drives (SSDs), and housed SSDs (duty-free). Intel would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The components and materials sourced from abroad include: articles of plastic (labels, labels with light reflecting surface, seals, tape, mylar labels, wraps, cases, clamshells, shells, bags, bottles, molded clamshells, molded trays, covers, cushions); articles of foam (boards, cushions, inserts, pads); articles of acrylic (bases, lids, trays); paper labels; corrugated paperboard; paper packing containers; self-adhesive labels; paper inserts; paper sleeves; printed paper instruction guides; printed marketing material; printed warranty cards; paper wrap; textile bags; flash memory with solid state storage; hard disk drives; housed SSDs; fan heatsinks; memory board dual in-line memory module (DIMMs); memory board single in-line memory module (SIMMs); unhoused SSDs; CPUs/microprocessors; and, memory (duty rate ranges from duty-free to 8.4%). The request indicates that textile bags will be admitted to the zone in privileged foreign status (19 CFR 146.41), thereby precluding inverted tariff benefits on such items. The request also indicates that certain materials/components are subject to duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: [ftz@trade.gov](mailto:ftz@trade.gov). The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via [www.trade.gov/ftz](http://www.trade.gov/ftz).

For further information, contact Diane Finver at [Diane.Finver@trade.gov](mailto:Diane.Finver@trade.gov) or (202) 482-1367.

Dated: June 9, 2021.

**Andrew McGilvray,**

*Executive Secretary.*

[FR Doc. 2021-12538 Filed: 6/14/2021 8:45 am; Publication Date: 6/15/2021]